

MARK D. WALDRON
Chapter 11 Trustee
6711 Regents Blvd. W., Suite B
Tacoma, WA 98466
Telephone: (253) 565-5800

The Honorable Frederick P. Corbit
Chapter 11

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF WASHINGTON

In Re:

GIGA WATT INC.

Debtor.

Case No. 18-03197-FPC11

CHAPTER 11 TRUSTEE'S MONTHLY
FINANCIAL REPORT FOR MAY 2020

COMES NOW Mark D. Waldron, the Court-appointed and acting Chapter 11 Trustee in the above proceeding, and files this Monthly Financial Report for the month of May 2020. Attached to this report are the Ledger Report (Exhibit 1), Operating Statement (Exhibit 2), and bank statement for May 2020 (Exhibit 3), incorporated herein by reference.

1. Condominium at Northwest Cliffe Point Road, Quincy, Washington. The condominium remains actively listed for sale, with a list price of \$384,950.00. This condominium is free and clear and has no obligations related thereto, except for monthly Condominium Owners Association dues and utility bills. The Trustee has procured insurance as well.

2. TNT Facility. By Order entered on May 19, 2020 (Docket No. 602), the Court approved the sale of the TNT facility to EcoChain, Inc. for \$200,000.00. The sale closed and funded on May 20, 2020. The rent and utility payments remained current at the TNT



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1 facility through the date of closing. In addition, pursuant to the terms of the Court-approved
2 Super-Priority Unsecured Credit Agreement, the Estate paid the DIP lender in full from the
3 TNT sale proceeds.

4 The Estate discontinued operations at the TNT facility on May 19, 2020.
5 Mining revenues at TNT for May 2020 were \$37,822.65.

6 3. Pangborn Site. As indicated in the Monthly Financial Report for April 2020,
7 the Court approved the sale of equipment at Pangborn on April 9, 2020 (Docket No. 540).
8 Removal of the equipment and clean-up of the Pangborn site by the purchaser is
9 continuing, having been extended by agreement between the parties to June 6, 2020.

10 4. Settlement with Chelan Douglas Regional Port Authority. On May 5, 2020,
11 the Estate entered into a Settlement Agreement with Chelan Douglas Regional Port
12 Authority (formerly Port of Douglas County) related to a Land Lease and liens resulting
13 from Giga Watt's breach thereof (see Proof of Claim No. 65 in the amount of \$662,994.09).
14 A motion to approve the settlement was filed with this Court on May 5, 2020 (Docket
15 No. 578). No objections were filed and Trustee anticipates entry of an Order approving the
16 Settlement Agreement, after which the Trustee will issue payment to the Port in the amount
17 of \$22,500.00 in exchange for the Port withdrawing its Proof of Claim, among other
18 settlement terms.

19 5. Termination of Consultants. Due to the shutdown of the Moses Lake facility,
20 the Estate has now laid off the remaining consultants, David Knowles and Lauren Mieke,
21 although Mr. Mieke has agreed to make himself available on an as-needed basis.

22 6. The Court-appointed CPA continues to prepare Debtor's required monthly
23 tax reports, specifically the Department of Revenue reporting, and the Estate continues to
24 pay the corresponding B&O taxes due. At month end, the Debtor was not delinquent on
25 any post-petition tax obligations.



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7. For purposes of calculating the Debtor's obligations under 28 USC 1930(a)(6) to pay a quarterly fee to the United States Trustee, **TOTAL DISBURSEMENTS** for the month of May 2020 were **\$147,579.85**. The Trustee continues to file Monthly Financial Reports and pay the quarterly U.S. Trustee fees pursuant to the current rate schedule. All U.S. Trustee fee payments and all Monthly Financial Reports are current.

I certify under penalty of perjury that the information contained in this Monthly Financial Report is complete, true, and accurate to the best of my knowledge, information and belief.

DATED this 10th day of June, 2020.

MARK D. WALDRON, WSBA# 9578
Chapter 11 Trustee for the Estate of
Giga Watt Inc.

Ledger Report

Case Number: 18-03197-FPC11 FPC
Case Name: GIGA WATT INC.
Taxpayer ID #: 81-4797010
Period: 05/01/20 - 05/31/20

Trustee: Mr. Mark D. Waldron (670070)
Bank Name: Metropolitan Commercial Bank
Account: *****25 - Checking Account
Blanket Bond: \$0.00 (per case limit)
Separate Bond: N/A

Trans. Date	{Ref #} / Check #	Paid To / Received From	Description of Transaction	Ledger Code	Receipts \$	Disbursements \$	Checking Account Balance
05/01/20		EcoChain, Inc.	Earnest money deposit for purchase of TNT facility	4007-000	20,000.00		285,665.71
05/01/20		Randy Michelson	Loan payment per Super-Priority Unsecured Credit Agreement (TNT)	6004-000		25,000.00	260,665.71
05/04/20	430	NCW Consulting LLC	Invoice dated 5-3-20 (through 5-1-20)	6007-013		5,475.00	255,190.71
05/04/20	431	Aggle LLC	Invoice dated 5-3-20 (through 5-1-20)	6007-013		2,240.00	252,950.71
05/04/20	432	A Harrison Consulting LLC	Invoice dated 5-3-20 (through 4-22-20)	6007-013		270.00	252,680.71
05/04/20	433	Waste Management of Wenatchee	Customer ID#19-19019-33003, Invoice #1886434-2674-8 (TNT)	6010-000		123.15	252,557.56
05/04/20	434	Insta Stor Inc.	Invoice #3938 (storage container rental through May 2020)	6004-000		135.25	252,422.31
05/04/20	435	Douglas County PUD	Account #735917, utilities for April (TNT)	6010-000		43,800.00	208,622.31
05/04/20	436	Mark D. Waldron	Partial payment of Trustee fees per Order entered 11-20-19 (Docket No. 422)	6002-001		2,146.56	206,475.75
05/07/20		TNT facility	Mining operations	4001-000	17,915.04		224,390.79
05/11/20		Skyler Simpson	Sale of 2004 Chevrolet Avalanche per Order (Docket No. 589)	4007-000	3,000.00		227,390.79
05/11/20	437	LocalTel	Account #61297, Statement dated 4/30/20 (TNT)	6010-000		114.85	227,275.94
05/14/20		Aggle LLC	Sale of 2000 Ford F650, per Order (Docket No. 589)	4007-000	3,000.00		230,275.94
05/14/20		TNT facility	Mining operations	4001-000	13,639.20		243,915.14
05/19/20	438	NCW Consulting LLC	Invoice dated 5-17-20 (TNT facility through 5-15-20)	6007-013		5,925.00	237,990.14
05/19/20	439	Aggle LLC	Invoice dated 5-17-20 (TNT facility through 5-15-20)	6007-013		2,016.00	235,974.14
Subtotals :					\$57,554.24	\$87,245.81	

{ } Asset reference(s)

Ledger Report

Case Number: 18-03197-FPC11 FPC
Case Name: GIGA WATT INC.
Taxpayer ID #: 81-4797010
Period: 05/01/20 - 05/31/20

Trustee: Mr. Mark D. Waldron (670070)
Bank Name: Metropolitan Commercial Bank
Account: *****25 - Checking Account
Blanket Bond: \$0.00 (per case limit)
Separate Bond: N/A

Trans. Date	{Ref #} / Check #	Paid To / Received From	Description of Transaction	Ledger Code	Receipts \$	Disbursements \$	Checking Account Balance
05/19/20	440	A Harrison Consulting LLC	Invoice dated 5-17-20 (TNT facility through 5-15-20)	6007-013		330.00	235,644.14
05/20/20		EcoChain, Inc.	Balance of gross proceeds for sale of TNT facility	4007-000	183,577.37		419,221.51
05/21/20		TNT facility	Mining operations	4001-000	6,268.41		425,489.92
05/27/20	441	NCW Consulting LLC	Invoice dated 5-22-20 (through 5-20-20)	6007-013		1,875.00	423,614.92
05/27/20	442	A Harrison Consulting LLC	Invoice dated 5-22-20 (through 5-20-20)	6007-013		300.00	423,314.92
05/27/20	443	Aggle LLC	Invoice dated 5-22-20 (through 5-20-20)	6007-013		672.00	422,642.92
05/27/20		Washington State Department of Revenue	B&O taxes due for April 2020	6006-002		1,371.15	421,271.77
05/28/20		Randy Michelson	Payment in full of remaining balance under Super-Priority Unsecured Credit Agreement (TNT)	6004-000		55,785.89	365,485.88

ACCOUNT TOTALS

4,917,863.99 147,579.85 \$365,485.88

TOTAL - ACCOUNT *****25

Balance Forward	265,665.71	14	Checks	65,422.81
2 Deposits	6,000.00	3	Adjustments Out	82,157.04
0 Interest Postings	0.00	0	Transfers Out	0.00
Subtotal	\$271,665.71	Total		\$147,579.85
5 Adjustments In	241,400.02			
0 Transfers In	0.00			
Total	\$513,065.73			

{ Asset reference(s)

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GIGA WATT INC. (18-03197-FPC11)

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Operating Statement

Period: 05/01/20 - 05/31/20

Income**4001-000 Revenue from Operating Business****4001-000 Revenue from Operating Business**

05/07/20	Dep. Adj.: 142	3910019625	TNT facility	\$17,915.04
			Mining operations	
05/14/20	Dep. Adj.: 143	3910019625	TNT facility	\$13,639.20
			Mining operations	
05/21/20	Dep. Adj.: 145	3910019625	TNT facility	\$6,268.41
			Mining operations	
				<u>\$37,822.65</u>

4007-000 Liquidation of Personal Property**4007-000 Liquidation of Personal Property**

05/01/20	Dep. Adj.: 141	3910019625	EcoChain, Inc.	\$20,000.00
			Earnest money deposit for purchase of TNT facility	
05/11/20	Deposit: 100029-1	3910019625	Skyler Simpson	\$3,000.00
			Sale of 2004 Chevrolet Avalanche per Order (Docket No. 589)	
05/14/20	Deposit: 100030-1	3910019625	Aggle LLC	\$3,000.00
			Sale of 2000 Ford F650, per Order (Docket No. 589)	
05/20/20	Dep. Adj.: 144	3910019625	EcoChain, Inc.	\$183,577.37
			Balance of gross proceeds for sale of TNT facility	
				<u>\$209,577.37</u>

Total Income**\$247,400.02****Expenses****6002-000 Trustee Fees & Expenses****6002-001 Trustee Compensation**

05/04/20	Check: 436	3910019625	Mark D. Waldron	\$2,146.56
			Partial payment of Trustee fees per	
			Order entered 11-20-19 (Docket No. 422)	
				<u>\$2,146.56</u>

\$2,146.56**6004-000 Costs to Secure/Maintain Property****6004-000 Costs to Secure/Maintain Property**

05/01/20	Disb. Adj.: 140	3910019625	Randy Michelson	\$25,000.00
			Loan payment per Super-Priority Unsecured Credit Agreement (TNT)	
05/04/20	Check: 434	3910019625	Insta Stor Inc.	\$135.25
			Invoice #3938 (storage container rental through May 2020)	
05/28/20	Disb. Adj.: 146	3910019625	Randy Michelson	\$55,785.89
			Payment in full of remaining balance under Super-Priority Unsecured Credit Agreement (TNT)	
				<u>\$80,921.14</u>

6006-002 Taxes - State**6006-002 Taxes - State**

05/27/20	Dep. Rev.: 147	3910019625	Washington State Department of Revenue	\$1,371.15
			B&O taxes due for April 2020	

\$1,371.15**6007-000 Professional Fees & Expenses**

GIGA WATT INC. (18-03197-FPC11)**Operating Statement**

Period: 05/01/20 - 05/31/20

6007-013 Consultant for Trustee Fees

05/04/20	Check: 430	3910019625	NCW Consulting LLC	\$5,475.00
			Invoice dated 5-3-20 (through 5-1-20)	
05/04/20	Check: 431	3910019625	Aggle LLC	\$2,240.00
			Invoice dated 5-3-20 (through 5-1-20)	
05/04/20	Check: 432	3910019625	A Harrison Consulting LLC	\$270.00
			Invoice dated 5-3-20 (through 4-22-20)	
05/19/20	Check: 438	3910019625	NCW Consulting LLC	\$5,925.00
			Invoice dated 5-17-20 (TNT facility through 5-15-20)	
05/19/20	Check: 439	3910019625	Aggle LLC	\$2,016.00
			Invoice dated 5-17-20 (TNT facility through 5-15-20)	
05/19/20	Check: 440	3910019625	A Harrison Consulting LLC	\$330.00
			Invoice dated 5-17-20 (TNT facility through 5-15-20)	
05/27/20	Check: 441	3910019625	NCW Consulting LLC	\$1,875.00
			Invoice dated 5-22-20 (through 5-20-20)	
05/27/20	Check: 442	3910019625	A Harrison Consulting LLC	\$300.00
			Invoice dated 5-22-20 (through 5-20-20)	
05/27/20	Check: 443	3910019625	Aggle LLC	\$672.00
			Invoice dated 5-22-20 (through 5-20-20)	
				<u>\$19,103.00</u>

\$19,103.00

6010-000 Other Expenses

6010-000 Other Expenses

05/04/20	Check: 433	3910019625	Waste Management of Wenatchee	\$123.15
			Customer ID#19-19019-33003, Invoice #1886434-2674-8 (TNT)	
05/04/20	Check: 435	3910019625	Douglas County PUD	\$43,800.00
			Account #735917, utilities for April (TNT)	
05/11/20	Check: 437	3910019625	LocalTel	\$114.85
			Account #61297, Statement dated 4/30/20 (TNT)	
				<u>\$44,038.00</u>

Total Expenses**\$147,579.85****Net Income****\$99,820.17**

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Law Offices of
Mark D. Waldron, PLLC

Case Number

Case Name

Trustee Number

Trustee Name

Period Covered:
May 01, 2020 - May 29, 2020
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18-03197-FPC11

GIGA WATT INC

DEBTOR

670070

Mr. Mark D. Waldron

TRUSTEE

Questions:

800.634.7734

banking.services@stretto.com

www.stretto.com

Consolidated Balance Summary

Account	Number	Ending Balance Prior Period	Ending Balance This Period
Checking Account			
TRUSTEE CHECKING	3910019625	\$278,730.71	\$368,932.88
Total		\$278,730.71	\$368,932.88

TRUSTEE CHECKING

Account Number: 3910019625

Enclosures	14	Beginning Balance	\$278,730.71
		+Total Additions	\$247,400.02
		-Total Subtractions	\$157,197.85
		Ending Balance	\$368,932.88

* Indicates a Skip in Check Number(s)
"E" Indicate an Electronic Check

Checks

Check #	Date	Amount
425	05-15	\$280.00
426	05-11	\$11,900.00
427	05-06	\$150.00
428	05-12	\$585.00
429	05-13	\$150.00
430	05-11	\$5,475.00
431	05-11	\$2,240.00
433*	05-11	\$123.15
434	05-12	\$135.25
435	05-12	\$43,800.00
436	05-05	\$2,146.56
437	05-20	\$114.85
438	05-26	\$5,925.00
439	05-22	\$2,016.00

Debits

Date	Description	Subtractions
05-01	WIRE TO RANDY MICHELSON	\$25,000.00
05-27	WA DEPT REVENUE TAX PYMT 200526 CCD	\$1,371.15
05-28	WIRE TO Randy Michelson	\$55,785.89

Credits

Date	Description	Additions
05-01	WIRE FROM ONLINE BANKING MECHANIC	
05-07	WIRE FROM COINME INC	\$20,000.00
05-14	REMOTE DEPOSIT REF#0100029	\$17,915.04
05-14	WIRE FROM COINME INC	\$3,000.00
05-15	REMOTE DEPOSIT REF#0100030	\$13,639.20
05-20	WIRE FROM MECHANICAL TECHNOLOGY I	\$3,000.00
05-21	WIRE FROM COINME INC	\$183,577.37
		\$6,268.41

Daily Balances

Date	Amount	Date	Amount	Date	Amount
05-01	\$273,730.71	05-05	\$271,584.15	05-06	\$271,434.15
05-07	\$289,349.19	05-11	\$269,611.04	05-12	\$225,090.79
05-13	\$224,940.79	05-14	\$241,579.99	05-15	\$244,299.99
05-20	\$427,762.51	05-21	\$434,030.92	05-22	\$432,014.92
05-26	\$426,089.92	05-27	\$424,718.77	05-28	\$368,932.88